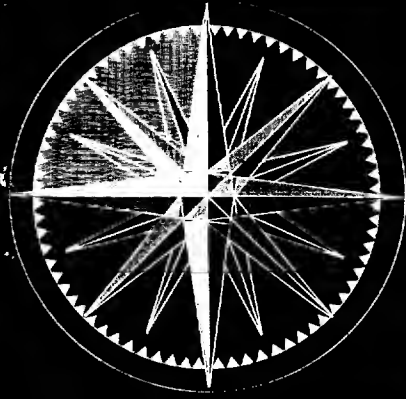


5 February 1965

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# SPECIAL REPORT

EUROPE, THE US, AND THE ALLIANCE

JCS review completed.

CENTRAL INTELLIGENCE AGENCY  
OFFICE OF CURRENT INTELLIGENCE

State Dept. review completed

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**EUROPE, THE US, AND THE ALLIANCE**

The deep differences among the NATO members over the organization of allied nuclear forces and the way they should be used are probably now more exposed than ever before. The reaction of most European powers to the US decision not to press ahead with the Multilateral Nuclear Force (MLF) project has been one of relief mixed with concern over what should be done next. In the present hiatus Britain has failed to obtain a broader European consensus on its own plan and indeed has not tried very hard to do so.

De Gaulle is hopeful the death blow has been given both projects, but continues to brandish the threat of French withdrawal from the NATO structure unless the whole NATO organization is adjusted to satisfy his specifications by 1969. A NATO without France remains inconceivable to many, however, and this prospect puts into sharper focus the question of the proper place and role in the Alliance of a Europe attempting to organize itself on a more self-reliant footing.

At work in this process are two dynamic forces. One is De Gaulle's effort to organize the Continent according to his own lights as a prelude to a challenge to US dominance in Europe. The other is the continued evolution of the Common Market into a politico-economic union in which France, although still the predominant influence, is progressively less an independent agent.

Nuclear Reform Blunted

After his visit to Washington in early December, Prime Minister Wilson undertook to obtain European support for the British "Atlantic Nuclear Force" (ANF) as a framework for, if not an alternative to, the MLF. As expected, the reaction in France to the idea of turning various

national nuclear forces over to NATO command was entirely negative. Among those sympathetic to the MLF--West Germany, Italy, and the Netherlands--the response was open-minded but critical. Both Italy and West Germany oppose the severe reduction in the size and role of the surface fleet proposed by London, and both are eager for a British

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## US-PROPOSED MULTILATERAL FORCE (MLF)

A Fleet of approximately 25 high-speed, merchant-type surface ships, each armed with some eight Polaris A-3 strategic missiles--a total of some 200 missiles.

The Fleet to be owned, controlled, and manned multilaterally by a group of as many NATO nations as may want to participate.

The Fleet would be mixed-manned throughout by personnel from the participating nations. Each ship would be manned by personnel from at least three nations, with no nation providing more than 40 percent of the personnel in any ship.

No member's share of costs, obligations, and responsibilities could exceed 40 percent.

The Fleet would be under the political direction of a Council or Commission composed of representatives of the participating nations.

The Fleet would be assigned to NATO and placed under the operational control of the Supreme Allied Commander, Europe (SACEUR), who would target it and work it into NATO plans and strategy.

US concurrence would be essential for any decision to fire the Fleet's missile weapons. The concurrence of the other members--i.e., a European veto--would be by vote of the major participants, or a majority, or otherwise as ultimately decided by them.

The charter establishing the Fleet would be open ended.

Total cost for constructing the Fleet, equipping and arming it, building the necessary bases, and operating it for the first five years is estimated at \$2.3 billion. Annual operating expense thereafter would average about \$156 million.

The Fleet is rated comparable "in effective delivery power" to the British national nuclear force, and far greater than the French force de frappe as it is presently constituted.

## BRITISH-PROPOSED ATLANTIC NUCLEAR FORCE (ANF)

A Force composed of seaborne, airborne, and land-based nuclear weapons systems, comprising existing national nuclear forces of NATO countries--such as the British and French forces--and a sharply reduced MLF of no more than ten to twelve ships.

The British accept "some" mixed-manning for bombers and land-based missiles and complete mixed-manning for the MLF component, but they do not want to participate in the MLF component with either personnel or funds.

The Force would be under the political control of a Council of the participating nations. It would be integrated with NATO forces and coordinated with the US Strategic Air Command.

The Force would not be placed under the operational control of SACEUR, but under another commander responsible to the political Council. (The British do not accept a strategic mission for SACEUR, and they foresee a French veto of any formal proposal to turn the Force over to NATO command because of the practice of "unanimous agreement" on voting in the North Atlantic Council.)

Nonnuclear powers (i.e., other than the US, the UK, and conceivably France) would have political control rights over the Force equal to those of the nuclear powers, but the former would have to pledge never to acquire their own nuclear weapons, and the latter never to disseminate such weapons to them. The US would have to pledge never to relinquish its veto over use of the Force unless it had British consent (this would prevent eventual Europeanization of the Force except on British terms).

The UK would commit its national forces "for the duration of the Alliance," relinquishing the right it retained in the Nassau agreement to withdraw them in time of grave national crisis.

Inasmuch as the Force, except for its MLF component, would consist of existing systems essentially, its cost in comparison with the US surface-fleet plan would be much smaller. In particular, its cost could be much more easily managed by the UK at the present time.

British national forces committed to the Force would consist of 64 V-bombers and three to five Polaris submarines.

The British have proposed that the US match the British contribution of Polaris submarines with units from its own strategic submarine flotilla, and commit "some" of its US-based Minuteman missiles to NATO-agreed targets.

The possibility would be kept open for the French to commit their force de frappe--presumably after De Gaulle's departure.

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commitment to participate in the surface component. The two also agree that any nuclear force should be placed under the command of the Supreme Allied Commander, Europe, (SACEUR), in order to assure the availability of all its components to the defense of Europe. They further favor keeping open the possibility of reorganizing the nuclear force to give the European members greater powers of control if and when Europe has attained a high degree of political unity.

Given France's adamant opposition to the MLF, and the inability of the others to coalesce around Britain's alternative, there was no disposition to raise the MLF question formally in the mid-December NATO ministerial meeting in Paris. But the all-pervading interest in the problem of a nuclear force dominated the bilateral talks which took place before and during the ministerial sessions between Secretary Rusk and the foreign ministers of the UK, France, West Germany, Italy, and the Netherlands. These talks, however, merely confirmed the lack of any real consensus. At a five-power meeting on 15 December it was decided only to issue a statement calling for another meeting in late January or early February to work out a compromise which hopefully would meld the ANF, MLF, and any other proposals that might be advanced.

#### The Gaullist View

The Gaullist eminence gris was also evident during the December meetings in the discussion of NATO strategy and the

forces needed for its implementation.

In keeping with the concept of "flexible response," Secretary McNamara argued that greater attention is needed in planning for the contingency of unpremeditated, limited, conflict, arising from political crises or confrontations. In the ensuing discussion most of the other defense ministers agreed that NATO does, in fact, need such a new and flexible strategy. France's Messmer, however, stuck to the Alliance's existing strategic doctrine which calls for immediate and massive nuclear response to a Soviet attack. To give emphasis to his conviction, Messmer flatly stated that France will make no further commitment of forces to NATO, regardless of what force goals the Alliance members might agree to establish.

There was nothing in his talks with Secretary Rusk which would suggest that De Gaulle has softened any of his demands for sweeping readjustments in the NATO structure before present treaty commitments expire in 1969.



EXCERPT FROM THE NORTH ATLANTIC TREATY,  
Signed in Washington, D.C., on 4 April 1949

#### "ARTICLE 13

After the Treaty has been in force for twenty years, any Party may cease to be a Party one year after its notice of denunciation has been given to the Government of the United States of America, which will inform the Governments of the other Parties of the deposit of each notice of denunciation."

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De Gaulle did express an interest in "coordination" among the Alliance's nuclear forces after the French atomic bomb is ready, and some observers have interpreted this as a French concession signaling a "thaw" in France's hostility to NATO as it is presently organized. But it appears more likely a reflection of the French leader's determination to achieve recognition of his force de frappe as a logical step in his campaign to restructure NATO on a "two-pillar" basis in which European power would have parity with that of the US at the decision-making level.

A Crisis Averted

Had the nuclear question been brought to a head in the atmosphere which prevailed at the year's end, it is quite possible that the future of the Alliance would have been irreparably compromised. An almost certain collision of interest was avoided largely because the US decided not to insist on an early deadline for the creation of a nuclear force and let it be known it would approve no plan not acceptable to both the UK and West Germany and not discussed in advance and in detail with France.

With some reservations, most of the interested NATO countries accepted the US shift as in the best interests of the Alliance. The West German Government, which was more deeply committed to the MLF than any of the other European members, had

itself already retreated from its previous eagerness for a quick agreement, at least in part because of a reluctance to see the MLF question become an issue in next September's national elections. In addition, elements in Chancellor Erhard's Christian Democratic Party (CDU) did not relish the government's being placed in a position of having to choose between Washington and Paris.

While it is difficult to judge the precise impact of the US move on the UK, the Wilson government has since seemed much less disposed to carry out its mandate to find an acceptable nuclear compromise. No longer pressed to hold off an agreement on the MLF, the British appeared not to savor being "out in front" on the nuclear question and Labor's search for a way of fulfilling campaign promises to divest Britain of its independent deterrent seemed to lose urgency. Indeed, there have been reports of British irritation that the US appeared to be giving increased recognition to the French nuclear force at just the moment Britain was being encouraged to give up its own.

In retrospect it seems unlikely that the Europeans were prepared at this time to take the decisions needed to bring the MLF into effect and to accept the consequences thereof. They are openly or secretly relieved that pressures on them to do so have been eased. Nevertheless, they have been quick to

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claim that there is no leader in Europe capable of bringing about an agreement on the MLF --and equally quick to warn that De Gaulle can be expected to take advantage of the psychological vacuum produced by "US inactivity" and that he might succeed in turning the nonnuclear powers to France for nuclear leadership.

The Uncaught Ball

There is, moreover, only small prospect at best that the countries to which the US tossed the nuclear force ball will be prepared in the short term to run with it. The stunning setback the Wilson government suffered in the by-election reverses of 21 January would seem to constitute a further obstacle to a British initiative during the coming months. Moreover, London's belaboring of the alleged demise of the MLF and of its basic interest in getting on with disarmament have fed Bonn's suspicions of Britain's real intentions. The public statements of Wilson and Defense Minister Healey in and out of Parliament have been viewed in Bonn as marked by consistent anti-German overtones.

The Erhard government--faced with unremitting French opposition to German participation in either the MLF or ANF, with a vigilant pro-French wing in the CDU and with a Socialist opposition that is probably stronger than ever before--is hardly in a position to act before the September elections. Even if Bonn did not want to sidestep the

issue until then, there now is hardly sufficient time left to get any nuclear force agreement through the legislative processes in the Bundestag before it adjourns in July, a prerequisite to West German approval of such a treaty this year.

While Rome is hopeful it has solved some of its internal political difficulties for the time being, it has not in the past been able or willing to take the lead in negotiations on an Allied nuclear force. Italian Foreign Ministry officials now are saying that Italy is presently taking no initiative with the West Germans to concert a position on the British proposals. There is little, if any, prospect that the Moro government will do so later in the year in the absence of a push from one of the other interested powers.

Restive Europe: The EEC

Although prospects are therefore poor for an early agreement on any kind of joint nuclear force, it is nevertheless doubtful the present stalemate is a stable one in the long run. For an important element in the evolving situation is the considerable movement on the question of Europe's organization--one of the basic political issues involved from the beginning in the MLF dispute.

Even while the NATO ministers grappled with the nuclear question in Paris, the EEC ministers in Brussels were concluding the critical agreement to unify grain prices in the Common Market. Without this agreement, the EEC would

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have remained--if indeed it had survived at all--as primarily an industrial customs union. With it, the community now has achieved something close to a federal system in the field of agriculture. It has sharply increased the need for currency stability and monetary harmonization, brought to the fore the question of the community's financial independence, and paved the way for the substantial achievement of the EEC's goals by 1967. In the view of Ambassador Tuthill, chief of the US Mission to the EEC, the community is now--much more even than a year ago--"a major economic power with strong political overtones even in the absence of overt political union."

Europe: Which Direction?

The grain price decision would thus appear to imply that Europe has taken a giant stride in the direction of the kind of European organization which the US has long sought to promote. The politics of Europe's unification are so complex, however, that one cannot be sure the advance is so clear-cut as it seems.

Even the manner in which the grain price agreement was reached advises some caution. It was the EEC Commission which moved boldly to devise and champion the terms of a compromise that proved acceptable to both the French and Germans. It is doubtful, however, that the question would have come to a head had De Gaulle not decided, after

months of temporizing, to make it a test of Bonn's European faith. Just as he subsequently warned that German participation in the MLF risked French withdrawal from NATO and the end of hopes for European political unification, so De Gaulle declared that failure to agree to price unification would end the Common Market and the Kennedy Round tariff negotiations in Geneva.

In both cases, De Gaulle probably saw in the German position--belatedly perhaps--a serious if not fatal threat to his hopes for Europe. Whether in forcing Bonn to accept price unification he actually advanced those hopes, however, is another question. It is true, of course, that De Gaulle once more successfully assumed the mantle of European leadership, that completion of the Common Market's common agricultural policy will benefit France economically the most, and that for its political and economic sacrifices, Bonn received little in return.

On the other hand, it is also true that henceforth all important decisions on agriculture will be taken in Brussels and that none of the Six may again act independently on farm questions. As the US Mission has observed: "...Future threats by De Gaulle to wreck the community, while always unsettling to some, will be less credible than heretofore given the vested interests of French industry, labor, and

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farmers...De Gaulle has done much to build up the Common Market...which over a broad range of national policy...is tying France into an integrated European system...." In that system, France "will increasingly feel restraints on its national freedom of action in commercial policy, financial policy, and other vital areas." However, "by his will and determination, De Gaulle can within limits use the Common Market for French national purposes," and it is likely that the contribution he is making to its progress is still conditioned on his belief that the community serves to promote his over-all aim of building a "European Europe."

Rambouillet: Europe

The relevance of all this to the future of the Alliance has perhaps become more evident from Erhard's meeting with De Gaulle at Rambouillet on 19 and 20 January. This meeting linked the questions of economic integration, political unity, and defense as perhaps never before.

Erhard went to the meeting anxious to obtain at least a nod of support from De Gaulle for the German proposals of last fall for a new start toward developing a European political organization. Bonn's proposals, which envisage on the one hand a further acceleration of the EEC's program of economic integration, also sketch out a trial approach to political cooperation in a so-called "pre-treaty period" of several years

in which there would be periodic meetings of heads of government and of foreign, defense, and cultural ministers to coordinate national policies. During this time a commission would facilitate discussions and, drawing on what transpires, draft a political union treaty.

From all accounts, De Gaulle responded favorably to Erhard's overtures. He reminded Erhard that there was still much to be achieved on agriculture in the EEC, and he sniffed suspiciously at the commission idea for any odor of supranationality. He agreed nevertheless that the grain price agreement had cleared the air for further examination of the political unity question. As a result, a timetable of sorts has been devised. Subject to the concurrence of the other EEC members, a committee of experts of the Six will be convened early this spring to prepare for a later meeting of foreign ministers. If enough progress is achieved at that level, a summit meeting would be in order, perhaps as early as July.

Rambouillet: Defense

Talks on defense were also inconclusive, but appear to have been more pointed than such exchanges in the past. This may be due in part to the fact that Bonn, at the height of De Gaulle's campaign against the MLF last fall, formally requested Paris to spell out what De Gaulle meant by his frequent

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references to the possibility of a more truly "European" defense organization, presumably as an alternative to the MLF and defense integration in NATO. It was evidently Erhard's objective to pursue this question further at Rambouillet.

According to various accounts of the discussions, De Gaulle reminded Erhard that France was still opposed to the MLF or any variation thereof. With apparent reference to the prospects for European union, De Gaulle reportedly said that "it would be very regrettable and unfortunate if the effort we hoped to make together coincided with pushing the MLF." He further suggested that German participation in the MLF or any other joint atomic defense arrangement would end all hopes of German reunification by arousing fears that "German nuclear ambitions were being fulfilled."

In response, however, to Erhard's questioning on how Europe was to be defended against Soviet MRBMs targeted on it, De Gaulle took a conciliatory line. He allowed that West Germany, as the most exposed European ally, had a "natural right" to participate in strategic consultations and nuclear planning for its defense.

This acknowledgment apparently came in the context of a

discourse by De Gaulle on strategy, in which he reportedly assured Erhard that in the event of nuclear conflict Germany would be defended. This was presumably a reference to De Gaulle's thesis that his force de frappe would be immediately committed in the event of a Soviet attack. Thus the French force would assure the ultimate availability of the US deterrent for the defense of Europe even if the US, under its present strategic concepts, would prefer a "pause."

### The Unity Outlook

It will be some time before the full significance of the events leading to Rambouillet and of the meeting itself can be fully assessed.

In the opinion of the US Mission in Brussels, even if the grain price agreement paved the way for modest steps toward political union, these are likely to come slowly. It may in fact, turn out that the forthcoming negotiations on a "pre-treaty" arrangement will come to nothing at all--as has happened to similar talks so often in the past. There is no evident weakening in De Gaulle's philosophical disdain for supranationalism, and he may at any time exercise his prerogative of citing a lack of

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sufficient progress in the Common Market or the unresolved questions of nuclear defense as excuses to bring the exercise to a halt. Moreover, while the other European countries have now largely despaired of "keeping the door open" to a Britain which seems to have no real desire to enter, there are those like the Dutch who may still feel that without Britain a European union is certain to be dominated by Paris or Bonn or by both.

Nevertheless, the circumstances now are not the same as they were in 1962 when the last political discussions collapsed. The EEC is not in the throes of the divisive negotiations with Britain or still hamstrung by the bitterness of their collapse. Instead it has scored a notable advance, the stake of every member in its continuation is far greater than before, and the need to continue the integration process is more imperative. Moreover, while the doctrinal question was a large one in 1962, there are at most only vestiges of supranationalism left in the West German, Belgian, and Italian plans up for consideration--plans which are specifically calculated to satisfy De Gaulle.

Finally, in addition to the positive attractions to De Gaulle of these concessions, he now has a more imperative negative reason for interest in progress toward political cooperation. He can hardly be unaware that, since 1962, the advances toward European unity have meant a further coalescence around the "techno-

crats" in Brussels--not the Europe of Fatherlands. They are stronger every day, and with the coming extension next year of majority voting rules, even more power will accrue to them. Hence, to De Gaulle--and not only to him--a "political" balance to such de facto strength is all the more necessary.

The Defense Outlook

There is a similar range of baffling uncertainties respecting the defense question. Erhard has said he offered De Gaulle no assurances regarding the MLF, but indicated that the forthcoming German elections had relegated the project to the background.

Despite speculative reports, there is as yet no convincing evidence that De Gaulle or Erhard either sought or offered direct German assistance or participation in the force de frappe. It is unlikely as well that any concrete French-German plan exists for giving West Germany meaningful participation in nuclear targeting and strategy, and unclear in what organizational framework it is thought such participation might occur.

On the other hand, either Erhard's assurances regarding the MLF or De Gaulle's hopes that the project is dead were sufficient to permit De Gaulle to agree that political unity talks might proceed. Should they in fact do so, Erhard--having initiated them--has a large political stake in their fruition. An integral feature of even Erhard's European

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unity plan is periodic consultations on and coordination of defense policies. In the short run, this could provide France another forum to deal with specific issues--to undercut any new moves to create an MLF, for example. In the long run, it might prove the first of many short steps toward a European defense organization built along Gaullist lines.

Much, of course, will depend on Bonn, and it is difficult to conceive that the present German Government would involve itself with France in any defense arrangement which would jeopardize its ties with the US, on which its security depends. In Ambassador McGhee's opinion, it is possible that once Erhard is successfully through the elections he will consider himself "free from De Gaulle and able to proceed along the lines of a more independent policy." If that is the case, Bonn's interest in joining some version of an MLF within the Atlantic framework is merely dormant and not dead.

McGhee, however, also notes the other possibility--namely, that Erhard may have concluded from his recent experiences that it is impossible for Bonn to conduct a foreign policy in direct conflict with that of France. In this case, Bonn would have to follow a policy of "detours"--particularly in the question of defense. This might mean Bonn's abandonment for the immediate future of any hope of direct participation in any kind of joint

nuclear force in favor of some kind of closer nuclear association with both France and the US. One such possibility which has been mentioned to the Bonn embassy would be a West German consultative role in the targeting of both the US deterrent and the force de frappe.

The other great imponderable is the future of Britain in Europe. So far at least, there is little or nothing to suggest that the anti-European bias of the Labor Party has been modified by the responsibilities of power. Nevertheless, Labor is probably far more aware of Britain's European involvement than it was before it attempted to persuade Bonn and Rome to accept the ANF, before its dispute with France over the Concord project, before it incurred the ire of its partners in the European Free Trade Association with its import surcharge, and before it found how much the future of the pound depends on the Continental bankers.

The Continent, although not hopeful, will continue to watch this "education process" with interest. And who could say that even De Gaulle's exclusion of Britain from the Common Market is graven in stone--especially if the need for another ally in opposition to a federal system in Europe should seem more pressing to Paris or if Bonn should become a less compliant partner than it now is?

#### Outlook for the Alliance

In short, the future course of the Alliance now is more deeply

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embedded than ever before in the future course of Europe. After two years of relative stagnation, European unity is on the move. In which direction it is moving and what its eventual shape will be is far from clear. The motive forces are clearly De Gaulle and the Common Market. The two have different objectives, but they are often allied in practice, and are more evenly matched than many would assume.

If the MLF has in fact failed, it may have done so for the same reasons that blocked Britain's bid for Common Market membership: because

both implied the continuation of a US-European relationship which France could effectively charge was not in keeping with Europe's present or future potential. Whether the US will again have so great an opportunity to determine the shape of the relationship between the US and Europe remains to be seen. In any case any new approach would have to take into account the extent to which "tomorrow's Europe" already exists. In that Europe, as Ambassador Tuthill has observed, the "European Community probably represents the most vital insitutional element."

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